

Capital Budget

The James City County Capital Improvement Program (CIP) is a planning and budget tool which provides information about the County's infrastructure needs for a five-year time frame. The first year of the CIP is the Capital Budget and this first year is actually the only year where funding sources are identified and appropriated to projects. The remaining four years of the CIP list the capital projects identified for implementation, the estimated cost and possible funding sources. Each year the list of projects is reviewed for need, cost and priority. New projects may be added and other projects deleted.

Generally, Capital Improvements are defined as physical assets, constructed or purchased, that have a useful life of ten years or longer, a cost of \$50,000 or more, and result in a County asset. Projects that meet this definition of a capital improvement are included in this CIP, such as:

- a. New and expanded facilities for the community.
- b. Large scale rehabilitation or replacement of existing facilities.
- c. Equipment for any public facility or improvement when first erected or acquired.
- d. The cost of engineering or architectural studies and services relative to the improvement.
- e. The acquisition of land for a community facility such as a school, a park or for greenspace or conservation purposes.

Funding for the purchase of vehicles or equipment is included in the CIP when they have expected lives of ten years or longer and a cost of \$50,000 or more.

CAPITAL MAINTENANCE PROJECTS. Included as a separate component of the Capital Improvement Program are certain items meeting the definition of Capital Improvements but which could just as easily be classified as "maintenance," either of a facility or of a program. Roof repairs and replacement fire trucks are generally shown as "maintenance" projects. School buses, as an example, are budgeted differently depending upon whether they are new buses or are replacements.

CAPITAL OUTLAY. The CIP does not include items defined as Capital Outlay. These items, shown within the County's Operating Budget, include such things as furniture, equipment, vehicles and motorized equipment needed to support the operation of the County's programs. Generally, a Capital Outlay item may be defined as an item valued in excess of \$1,000, but less than \$50,000. A Capital Outlay item would usually have a life expectancy of less than 10 years, but there are items, such as pieces of furniture, that will probably be in use for much longer.

Capital Outlay may also include minor construction projects and facility repairs. If these items can be combined into a project category that would be defined as a Capital Project, then the project would most likely be shown as a Capital Maintenance project.

COMPREHENSIVE PLAN. The County's CIP is developed and proposed within the context established by the County's adopted Comprehensive Plan. This Plan is evaluated annually and is the focus of a major review every five years. Components of the Plan include goals, objectives and strategies in major subject areas such as economics, public facilities, parks and recreation, housing, environment, transportation, community character, and land use.

PLANNING COMMISSION. The County's Planning Commission annually reviews the Capital Improvement Program and classifies each project as a high, medium, or low priority project within the context of the adopted Comprehensive Plan. Some CIP items will not be ranked. This lack of a ranking does not signify a lack of priority, it does indicate that the Commission is reluctant to classify the project within the standards of the Comprehensive Plan. Capital maintenance budget items are the kind of items that will generally not be ranked. The Planning Commission priorities are shown for each listed project.